

Maine Fiber Company, Inc.'s Three Ring Binder Project

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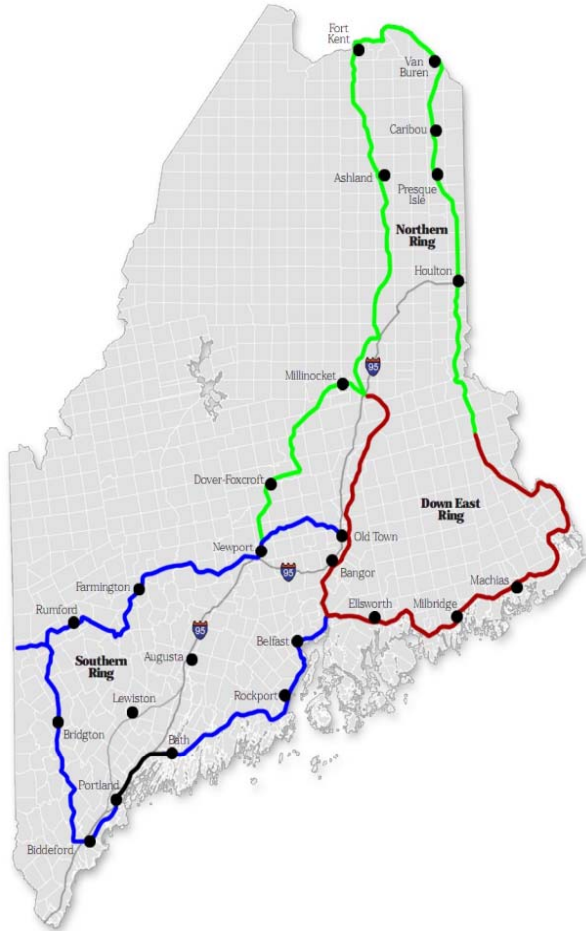


What is the Three Ring Binder Project?

- A public private partnership, the Maine Fiber Company, Inc.'s Three Ring Binder Project represents an investment of over \$32 million in Maine.
- \$25.4 million in funding provided through the Broadband Technology Opportunities Program (BTOP), matched with \$7 million in private investment.
- The Three Ring Binder will provide ultra-modern, high capacity (144-288 strands) fiber optic cable that is available for lease to all qualified users on an equal basis.
- The network will pass through more than 100 communities throughout rural Maine, making broadband internet more readily accessible to 110,000 households and 600 community anchor institutions, including hospitals, rural healthcare clinics, community colleges, University of Maine campuses, libraries, government facilities, and public safety departments.



Progress to Date



- 150 miles of existing fiber and 26 miles of new fiber are currently available for lease, including segments spanning from:
 - Portland to Brunswick
 - Bangor to Orono
 - Hodgdon to Orient
 - Ellsworth to Bar Harbor
- 150 miles will be constructed by mid-summer of 2010.
- 500 miles will be constructed by the end of 2011.
- 1,100 miles will be constructed by the end of 2012.
- Lease price for customers is \$9-\$15 per strand, per mile, per month, and available on an open access, non-discriminatory basis.



Construction

- We recently completed a 26 mile long segment of the Three Ring Binder that passes through Amity, Cary Plantation, Hodgdon, and Orient.
- Construction of four segments is scheduled to begin in May. These segments will pass through:
 - Belfast, Searsport, Stockton Springs, Prospect, Bucksport, Verona Island, Orland, and Ellsworth
 - Ashland, Eagle Lake, Masardis, Nashville Plantation, Portage Lake, T14 R6 WELS, T15 R6 WELS, T7 R5 WELS, T8 R5 WELS, T9 R5 WELS, and Winterville Plantation
 - East Millinocket, Grindstone Township, Hersey, Herseytown Township, Medway, Moro Plantation, Mount Chase, Patten, Sherman, Soldiertown Township/T2 R7 WELS, and Stacyville
 - Ebeemee Township, Long A Township, Millinocket, T3 Indian Purchase Township, T4 Indian Purchase Township, T4 R9 NWP, and TA R7 WELS



Construction

- Construction of two segments is scheduled to begin in June. These segments will pass through:
 - Franklin, Gouldsboro, Hancock, Milbridge, Steuben, Sullivan, and T7 SD
 - Columbia, Columbia Falls, Dennysville, East Machias, Edmunds Township, Harrington, Jonesboro, Machias, Whiting, and Whitneyville
- Construction scheduled to begin in July will pass through:
 - Biddeford, Saco, Scarborough, South Portland, Westbrook, and Portland



Open Access and Transparency

- The Three Ring Binder Project provides fiber optic cable that is available for lease to all qualified users on an open access, equal basis. Leasing rates are the same for all customers.
- No customers are given preferential treatment, and no single entity may use more than 20% of the capacity of any segment of the network.
- We have the capacity to provide fiber to all interested parties, and are obligated to lease fiber to all qualified parties.
- The Three Ring Binder Project is highly transparent – a Google map on Maine Fiber Company's website (www.maineiberco.com) identifies the entire 1,100 mile route.
- We have published tariffs detailing our pricing, which is far lower than market value.



Middle Mile Dark Fiber

- The Three Ring Binder will provide 1,100 miles of middle mile dark fiber.
- Existing middle mile facilities in Maine are not always available on an open access, non-discriminatory basis to all carriers.
- The Three Ring Binder will allow carriers to have their own middle mile facilities.
- The Three Ring Binder is providing carriers access to communities that they can't currently serve, and enabling them to use their capital to build last mile connections.
- We act as a wholesaler; commercial carriers are our clients, not our competitors.
- Our project is both reducing the cost of delivering broadband internet, and increasing access to broadband internet throughout Maine.



Challenges

- Make-ready
- Availability of conduit on bridges, getting access to existing facilities – hundreds of thousands of dollars to cross each bridge when building new conduit
- Pole line gaps – MFC to fill in gaps; will be a pole owner in a few short sections



Questions?

For more information, please contact:

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